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✓ UNITED STATES DEPARTMENT OF AGRICULTURE
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✓ A Fact Sheet on the Fat Salvage Program

For more than 5 years, industry and government have conducted a continuous, cooperative program to salvage fats which otherwise would be lost -- chiefly down the kitchen sink. Serious wartime shortages of all fats and oils prompted the inauguration of the program as an emergency measure. Continuing shortages have dictated its continuance.

During the 5 1/2 years of the program, August 1942 through January 1948, American women saved and turned in 670 million pounds of fat. During the same period, the armed services recovered more than 186 million pounds. The combined total represented nearly 10 percent of the entire domestic production of inedible tallow and grease during these years. For the year 1947, household salvage ran to more than 114 million pounds -- nearly 10 million pounds each month.

Today, the world-wide shortage of fats and oils is still acute -- and indications are that it will be for many months ahead. As a result, and by mutual agreement among the agencies concerned, an all-out Fat Salvage Program is being kept in operation.

From time to time, various questions about fat salvage operations and responsibilities -- and about the fats and oils situation -- have been asked by those who have some connection with program administration and support. This has been especially true with regard to field offices of agencies of the Department of Agriculture. The following "fact sheet" is an effort to answer the basic questions.

Operational Background

The Fat Salvage Program was initiated in July 1942, under the direction of the Salvage Division of the War Production Board. At that time, those private industry groups most directly concerned (primarily renderers and soap manufacturers) established the American Fat Salvage Committee as the industry agency to cooperate directly with Government, and to carry out the direct campaign and promotional activities necessary for a successful program. The Fat Salvage Committee continues to serve the same function. Although it cooperates with Government at all times, it is in no sense a Government agency. The Committee and its campaign activities are directed and financed entirely by private industry.

From late 1943 until the end of consumer rationing, the Office of Price Administration participated actively in the Fat Salvage Program -- principally through provisions for granting housewives "red-point" bonuses in addition to the purchase price for salvaged fats.

In October 1944, the Department of Agriculture took over the Government phases of program responsibility which had previously rested with WPB.

The armed services, the Department of Commerce, the Office of Government Reports, and other agencies of the Government have continued appropriate cooperation in specific phases of the salvage program.

Present Operating Responsibilities

Basic campaign and promotional activities are carried out by the American Fat Salvage Committee, as they have been since the start of the program. The Committee provides funds for extensive advertising and publicity, and it obtains a large amount of radio cooperation. The Committee also maintains a staff of field representatives who work closely with Department of Agriculture personnel at regional, State, and county levels. This field staff maintains contacts with meat dealers and others who receive and collect salvaged fats. It is also available to assist cooperating groups in any constructive way which will help to insure continuous, effective operation of the program. Regional representatives of the Fat Salvage Committee may be addressed in care of the respective PMA Area Information Branch offices located in Atlanta, Chicago, Dallas, New York City, and San Francisco.

The U. S. Department of Agriculture, working closely with the American Fat Salvage Committee, carries out specific phases of Government cooperation in the program, as follows:

- (1) The Department surveys the domestic and world fats and oils situation, and from time-to-time issues public statements about the situation as it reflects the need for continuing to draw upon a supplementary source of fats and oils (fat salvage) in order to augment short supplies. These statements are frequently made by the Secretary or other ranking officials of the Department, in order to establish the "official" position. (Officials of the Department of Commerce and of international organizations also issue statements, or join in general statements, which appraise the fats and oils situation.
- (2) The Cooperative Extension Service (Federal and State) has a primary responsibility in connection with educational and information work on the Fat Salvage Program, especially in rural areas. This educational work relates not only to the salvaging of used fats in the kitchen, but also to the recovery of maximum amounts of waste slaughter fats.
- (3) State and County committees of the Production and Marketing Administration have a responsibility in helping to keep the collection system at a high level of efficiency. They receive complaints from individuals who may have trouble finding retailers who will readily receive and pay for used fats, and complaints from retailers who may not be getting prompt pick-up service from renderers. These complaints are then checked, and an effort is made to straighten out any difficulties and to correct any weaknesses in the collection system.
- (4) The Information Branch of the Production and Marketing Administration, especially through its area offices (where there is close cooperation with the regional representatives of the American Fat Salvage Committee), distributes supplemental information regarding the fats and oils situation and the salvage program. This includes material which may be needed by PMA State and County committees in support of their general efforts in behalf of the program.
- (5) Other agencies and offices of the Department, including the central Office of Information, include appropriate information regarding the fats and

oils situation and the salvago program in thoir regular servicos.

How the Fat Salvago Program Works

The operation of the Fat Salvago Program follows a simple pattorn that starts with the homemaker who savos used fat, and ends with the industrial plant that re-uses it. Here are the mechanics of the program:

- (1) The homemaker savos frying-pan grease, meat drippings, soup skimmings, pan scrapings, and fat rendered from meat and table scraps, in clean tin cans -- usually fruit and vegetable cans. (Fats suitable for cooking can be re-used in the home until no longer fit for such purposos and then turned in as salvaged fat.)
- (2) The homemaker turns the used fat in to her neighborhood retail meat dealer, who pays her for it at the going price per pound, as determined by the current market situation. Practically all meat dealers, as well as operators of most frozen locker plants, receive used fats.
- (3) Renderers collect the used fat from local meat dealers, and pay them for it. Renderers usually provide this pick-up service once or twice a week. They also collect butcher shop fats from retail meat dealers, and used fats from restaurants and other institutional producers. They will also pick up and pay for waste slaughter fats at killing time.
- (4) Renderers refine the used fats they collect and prepare them for sale to industrial users.
- (5) The industrial user buys used fats offered by renderers in the open market, through regular channels of trade. The used fat thus goes into the over-all commercial supply of inedible fats and is available to any industrial operator. (Note: Fat collected under the salvago program is classed as "inedible." However, different classes of fats and oils are interchangeable for many purposes. As a result, salvago collections add effectivly to the over-all supply and indirectly improve the supply of edible fats.)

Summary of World Fats and Oils Situation

(The following summary is based on information obtained from specialists of the Fats and Oils Branch of the Production and Marketing Administration, and the Bureau of Agricultural Economics)

A substantial gap will continue between the supply of fats and oils the world will have in 1948 and the quantities it needs.

This deficit in supply can be attributed to several factors, but one stands out as chiefly responsible: World production and movement of supplies since the end of the war have not recovered sufficiently to take care of postwar needs. In 1947, for example, about 3.5 million tons of fats and oils went into the markets of international trade. This is 3 million tons below the prewar average of 6.5 million tons.

Many countries are in need of additional fats and oils, but western Europe represents the major deficit area. European vegetable oil production increased during

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the war and is now above prewar levels, but the situation with regard to animal fats more than offsets this gain. Before the war, animal fats made up two-thirds of Europe's total production. In 1946 output of animal fats, including butter, was about 40 percent below prewar. As a result of last year's crop failures and the extremely tight feed situation, Europe's output of animal fats will continue low in the 1947-48 crop year. Whale oil is another important fat source for Europe, but production is about 40 percent below that of the prewar years. Trade barriers between Eastern and Western Europe hinder the movement of exportable supplies, also.

In the Far East, where Europe and the rest of the world obtain a major portion of their fats and oils imports, production and movement of supplies are far from normal. Philippine exports of last year actually were nearly twice the prewar level, but it is not likely that the Philippines will be able to maintain the 1947 level of exports this year. Damage from the typhoons of September and December 1947 may cut total production in those islands about 10 percent. And it is reported also, that the large backlog of copra (built up in the Philippines when production outstripped shipping facilities after the Japanese withdrawal) has been reduced, so that it will not be possible to draw so heavily from stocks as in the past year.

The situation is less bright in other Far Eastern countries. The Netherlands East Indies -- world's second largest exporter of copra -- last year produced at a level only one-fourth of prewar. However, production of copra in that area is increasing, and a start is being made to restore palm-tree plantations to working order. India, a large exporter of vegetable oils, is becoming more highly industrialized and therefore requires greater amounts of fats and oils that were formerly exported. The same situation is true of a good deal of Latin-American production. Manchurian production is limited, and the former large supplies of soybeans apparently will not be available to the open world market in the immediate future.

Those examples indicate why there is a world shortage of fats and oils. They indicate, also, why countries like the United States and others must manage their own supplies of all kinds of fats and oils to help meet the world shortage.

The U. S. Fats and Oils Situation

In the face of the world shortage of fats and oils, supplies in the United States are not expected to be any larger in the 1947-48 crop year than in the previous year. Any appreciable increase in domestic supplies would have to come from imports, but substantially larger imports are not likely because of the large unfilled demands in other parts of the world.

U. S. production this crop year of all fats and oils (including butter) probably will be about the same as the 9.6 billion pounds produced in 1946-47, which was about 1 billion pounds above prewar production. But even though total U. S. production is high in comparison with prewar, per capita consumption last year was 68 pounds per person, including both food and nonfood fats, as compared with a prewar 1937-41 average of 70 pounds per person (fat-content basis). A significant factor in the decline from the prewar level, in addition to enlarged exports and curtailed imports, is the increase in the U. S. population.

As compared with the output of the 1946-47 crop year, the estimated 9.6 billion

pounds of fats and oils to be produced this year is expected to be made up of:

(1) Less food fats. Lard output is expected to be down about 5 percent because of the short 1947 corn crop, fewer hogs for market, and marketing of animals at lighter weights. Cottonseed oil production will be larger, but there will be less soybean oil and corn oil following reduced crops in 1947.

(2) Mere drying oils. Total supplies of drying oils -- which make up a large proportion of the inedible industrial fats and oils used domestically -- will be somewhat larger this year. Because of the larger 1947 flax crop, mere linseed oil will be available, and fairly large quantities of soybean oil again will be used as drying oil. Imports of other drying oils will be near the high 1947 level.

(3) About the same quantity of soap fats. For this second group of industrial fats, the supply of coconut oil -- plus domestic production of inedible tallow and grease -- is expected to provide supplies about equal to those of the last crop year. However, mere soap fats would be used if available.

Exports of food fats from U. S. supplies in the 1946-47 crop year totaled about 550 million pounds, including the oil equivalent of soybeans and peanuts for crushing abroad. Export allocations of food fats, soybeans, and peanuts in terms of oils, for the first half of the 1947-48 year totaled 420 million pounds.

Situation Conclusions

Beiling down this general review of the fats and oils situation leads to the following conclusions:

- (1) World supplies are still far short of needs, and will continue to be for some time.
- (2) United States supplies, tied very closely to the world situation, will continue to reflect this tight situation.

Under these circumstances, it obviously "makes sense" to continue the Fat Salvage Program at full strength. This is the position of the sponsoring industry groups. It is also the position of the Department of Agriculture. Until the basic supply-demand situation changes materially, the national economy will be served directly by the recovery of every possible pound of waste fats and grease.

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